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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/02/2019	.	
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The Committee on Innovation, Industry, and Technology (Gruters) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. (1) The Legislature finds that:

(a) Blockchain technology and distributed ledger technology allow the secure recording of transactions through cryptographic algorithms and distributed record sharing, and such technology has reached a point where the opportunities for efficiency, cost savings, and cybersecurity deserve study.



11 (b) Blockchain technology is a promising way to facilitate
12 more efficient government service delivery models and economies
13 of scale, including facilitating safe paperless transactions and
14 recordkeeping that are nearly impervious to cyberattacks and
15 data destruction.

16 (c) Blockchain technology can reduce the prevalence of
17 disparate government computer systems, databases, and custom-
18 built software interfaces; reduce costs associated with
19 maintenance and implementation; streamline information sharing;
20 and allow more areas of the state to electronically participate
21 in government services.

22 (d) Nations, other states, and municipalities across the
23 world are studying and implementing governmental reforms that
24 bolster trust and reduce bureaucracy through verifiable open
25 source blockchain technology in a variety of areas, including,
26 but not limited to, medical and health records, land records,
27 banking, tax and fee payments, smart contracts, professional
28 accrediting, and property auctions.

29 (e) It is in the public interest to establish a Florida
30 Blockchain Task Force comprised of government and industry
31 representatives to study the ways in which state, county, and
32 municipal governments can benefit from a transition to a
33 blockchain-based system for recordkeeping, security, and service
34 delivery and to develop and submit recommendations to the
35 Governor and the Legislature concerning the potential for
36 implementation of blockchain-based systems that promote
37 government efficiencies, better services for citizens, economic
38 development, and safer cyber-secure interaction between
39 government and the public.



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40 (2) The Florida Blockchain Task Force, a task force as
41 defined in s. 20.03, Florida Statutes, is established within the
42 Department of Financial Services to explore and develop a master
43 plan for fostering the expansion of the blockchain industry in
44 the state, to recommend policies and state investments to help
45 make this state a leader in blockchain technology, and to issue
46 a report to the Governor and the Legislature. The task force
47 shall study if and how state, county, and municipal governments
48 can benefit from a transition to a blockchain-based system for
49 recordkeeping, data security, financial transactions, and
50 service delivery and identify ways to improve government
51 interaction with businesses and the public.

52 (a) The master plan shall:

53 1. Identify the economic growth and development
54 opportunities presented by blockchain technology.

55 2. Assess the existing blockchain industry in the state.

56 3. Identify innovative and successful blockchain
57 applications currently used by industry and other governments to
58 determine viability for state applications.

59 4. Review workforce needs and academic programs required to
60 build blockchain technology expertise across all relevant
61 industries.

62 5. Make recommendations to the Governor and the Legislature
63 that will promote innovation and economic growth by reducing
64 barriers to and expedite the expansion of the state's blockchain
65 industry.

66 (b) The task force shall consist of 12 members. Membership
67 shall be as follows:

68 1. Three agency heads or executive directors of cabinet



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69 agencies, or their designees, appointed by the Governor.

70 2. Four members of the private sector with knowledge and
71 experience in blockchain technology, appointed by the Governor.

72 3. Three members from the private sector with knowledge and
73 experience in blockchain technology, appointed by the Chief
74 Financial Officer.

75 4. One member from the private sector with knowledge and
76 experience in blockchain technology, appointed by the President
77 of the Senate.

78 5. One member from the private sector with knowledge and
79 experience in blockchain technology, appointed by the Speaker of
80 the House of Representatives.

81 (c) Within 90 days after the effective date of this act, a
82 majority of the members of the task force must be appointed and
83 the task force shall hold its first meeting. The task force
84 shall elect one of its members to serve as chair. Members of the
85 task force shall serve for the duration of the existence of the
86 task force. Any vacancy that occurs shall be filled in the same
87 manner as the original appointment. Task force members shall
88 serve without compensation, but are entitled to reimbursement
89 for per diem and travel expenses as provided in s. 112.061,
90 Florida Statutes.

91 (d) The task force shall study blockchain technology,
92 including, but not limited to, the following:

93 1. Opportunities and risks associated with using blockchain
94 and distributed ledger technology for state and local
95 governments.

96 2. Different types of blockchains, both public and private,
97 and different consensus algorithms.



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98 3. Projects and cases currently under development in other
99 states and local governments, and how these cases could be
100 applied in this state.

101 4. Ways the Legislature can modify general law to support
102 secure paperless recordkeeping, increase cybersecurity, improve
103 interactions with citizens, and encourage blockchain innovation
104 for businesses in the state.

105 5. Identifying potential economic incentives for companies
106 investing in blockchain technologies in collaboration with the
107 state.

108 6. Recommending projects for potential blockchain
109 solutions, including, but not limited to, use cases for state
110 agencies that would improve services for citizens or businesses.

111 7. Identifying the technical skills necessary to develop
112 blockchain technology and ensuring that instruction in such
113 skills is available at secondary and postsecondary educational
114 institutions in this state.

115 (3) The task force shall submit a report to the Governor,
116 the President of the Senate, and the Speaker of the House of
117 Representatives and present its findings to the appropriate
118 legislative committees in each house of the Legislature within
119 180 days after the initial meeting of the task force. The report
120 must include:

121 (a) A general description of the costs and benefits of
122 state and local government agencies using blockchain technology.

123 (b) Recommendations concerning the feasibility of
124 implementing blockchain technology in the state and the best
125 approach to finance the cost of implementation.

126 (c) Recommendations for specific implementations to be



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127 developed by relevant state agencies.

128 (d) Any draft legislation the task force deems appropriate
129 to implement such blockchain technologies.

130 (e) Identification of one pilot project that may be
131 implemented in the state.

132 (f) Any other information deemed relevant by the task
133 force.

134 (4) The task force is entitled to the assistance and
135 services of any state agency, board, bureau, or commission as
136 necessary and available for the purposes of this act.

137 (5) The Department of Financial Services shall provide
138 support staff for the task force and any relevant studies, data,
139 and materials in its possession to assist the task force in the
140 performance of its duties.

141 (6) The task force shall terminate upon submission of the
142 report and the presentation of findings.

143 Section 2. This act shall take effect upon becoming a law.

144
145 ===== T I T L E A M E N D M E N T =====

146 And the title is amended as follows:

147 Delete everything before the enacting clause
148 and insert:

149 A bill to be entitled
150 An act relating to blockchain technology; providing
151 legislative findings; establishing the Florida
152 Blockchain Task Force within the Department of
153 Financial Services; requiring the task force to
154 develop a specified master plan; specifying the
155 composition of the task force; specifying duties and



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156 procedures of the task force; providing that task
157 force members shall serve without compensation but are
158 entitled to certain reimbursement; requiring the task
159 force to submit a specified report to the Governor and
160 the Legislature and to make presentations; providing
161 that the task force is entitled to assistance and
162 services of state governmental entities; requiring the
163 department to provide support staff and other
164 assistance to the task force; providing for
165 termination of the task force; providing an effective
166 date.